



IDL Proposed Legislation 2015 Legislative Session

FACT SHEET

Proposed Legislation Related to Oil and Gas Program Fees

(Awaiting print hearing; no bill number assigned yet)

The Idaho Oil and Gas Conservation Commission voted to approve this legislative concept.

- In 2012 the Idaho Legislature approved an increase from \$100 to a maximum \$2,500 in the fee required for a permit to drill or treat a well in [Idaho Code § 47-320](#). The legislation included a sunset provision, whereby the permit fee will return to \$100.00 on July 1, 2017.
- The fee amount reverting to \$100 will place greater stress on the general fund to pay for current and future oil and gas program costs. Currently, IDL receives \$156,200 in general fund monies to run the oil and gas program. Additional funds of \$16,000 have been collected over the past 12 months from permit fees and other fees. In order to meet current and future workload, it is estimated that ongoing costs to run the program for the next several years will be approximately \$200,000. When production of oil and gas resources in Idaho picks up, fees and severance taxes, not the general fund, will cover a majority of annual program expenses on an ongoing basis.
- The proposed legislation amends [Idaho Code § 47-320](#) to remove the sunset provision and include a fee schedule for all Oil and Gas Program fees. The legislation would allow the Commission to set fees for all applications, including well permit applications, seismic permit applications, pit permit applications, integration applications, unitization applications, and other applications filed with the Commission.

Attachments:

1. Proposed legislation – Oil and Gas Program Fees
2. Fees Schedule
3. Permit application fees by state



LEGISLATURE OF THE STATE OF IDAHO



Sixty-third Legislature

First Regular Session - 2015

IN THE _____

BILL NO. _____

BY _____

AN ACT

RELATING TO OIL AND GAS; AMENDING SECTION 47-320, IDAHO CODE, TO PROVIDE FOR FEES, TO REVISE FEE PROVISIONS, TO PROVIDE FOR THE DEPOSIT OF FEES IN THE OIL AND GAS CONSERVATION FUND AND TO PROVIDE FOR THE USE OF FEES.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 47-320, Idaho Code, be, and the same is hereby amended to read as follows:

47-320. PERMIT TO DRILL OR TREAT A WELL -- FEES. (1) It shall be unlawful to commence operations for the drilling or treating of a well for oil or gas without first giving notice to the commission of intention to drill or treat and without first obtaining a permit from the commission under such rules and regulations as may be reasonably prescribed by the commission and by paying to the commission a filing and service fee of one hundred dollars (\$100) for such permit, which shall be remitted to the state treasurer for deposit in the oil and gas conservation fund and shall be used exclusively to pay the costs and expenses incurred in connection with the administration and enforcement of this act as provided by this section. No permit may be issued by the commission until the commission shall notify the director of the department of water resources and said director shall have fifteen (15) days from the date of receipt of such notification from the commission to recommend conditions he believes necessary to protect fresh water supplies.

Upon issuance of any permit, a copy thereof, including any limitations, conditions, controls, rules or regulations attached thereto for the protection of fresh water supplies as required in section 47-319, Idaho Code, shall be forwarded to the director of the department of water resources.

(2) ~~The filing and service fee as provided in subsection (1) of this section shall be temporarily raised to a maximum of up to two thousand five hundred dollars (\$2,500) beginning on the effective date of this act. On and after July 1, 2017, the filing and service fee shall be reduced to one hundred dollars (\$100).~~ The commission shall collect the following fees, which shall be remitted to the state treasurer for deposit in the oil and gas conservation fund and shall be used exclusively to pay the costs and expenses incurred in connection with the administration and enforcement of this chapter:

- (a) Application for a permit to drill a well \$2,000
- (b) Application to deepen a well 500
- (c) Application to plug and abandon a well, if not completed within one (1) year from issuance of permit to drill a well 500
- (d) Application to treat a well, if separate from an application for a permit to drill a well 1,000
- (e) Application to construct a pit, if separate from an application for a permit to drill a well 1,500

1	(f) Application to directionally drill a well, if separate from an ap-	
2	plication for a permit to drill a well	1,000
3	(g) Application for a multiple zone completion, if separate from an ap-	
4	plication for a permit to drill a well	1,000
5	(h) Application for an exceptional well location, if separate from an	
6	application for a permit to drill a well	1,300
7	(i) Application to change the size or shape of a spacing unit	1,300
8	(j) Application to establish or amend a field-wide spacing order	1,300
9	(k) Application for an integration order	1,300
10	(l) Application for a unitization order	1,300
11	(m) Application for a seismic operations permit covering less than	
12	twelve (12) miles of a 2D survey	800
13	(n) Application for a seismic operations permit covering between	
14	twelve (12) miles and twenty-four (24) miles of a 2D survey, or up to	
15	seventy-two (72) square miles of a 3D survey	2,000
16	(o) Application for a seismic operations permit covering more than	
17	twenty-four (24) miles of a 2D survey, or more than seventy-two (72)	
18	square miles of a 3D survey	2,500

Proposed Fee Schedule for the Oil and Gas Program Idaho Code § 47-320

Application Type	Resource Office Time/Hr							Resource Field Time/Hr					Total Cost	Proposed Fees
	PM \$46.60	DAG \$50	Travel \$600	OGCC \$250	Admin \$25.54	Supvsr \$38.99	Inspctr \$30.80	PM \$46.60	Admin \$25.54	Supvsr \$38.99	Inspctr \$30.80	Miles \$0.555		
Drill	20	0	0	0	4	1	1	2	0	2	26	120	\$ 2,142.53	\$ 2,000.00
Deepen a Well	8	0	0	0	4	1	1	1	0	2	12	120	\$ 1,105.53	\$ 500.00
Plug and Abandon	8	0	0	0	4	1	1	2	0	2	16	120	\$ 1,275.33	\$ 500.00
Well Treatment*	8	0	0	0	4	1	1	2	0	2	16	120	\$ 1,275.33	\$ 1,000.00
Pit*	14	0	0	0	4	2	4	1	0	2	16	0	\$ 1,573.12	\$ 1,500.00
Directional Drilling*	8	0	0	0	4	1	1	1	0	2	10	0	\$ 977.33	\$ 1,000.00
Multiple Zone Completion*	8	0	0	0	4	1	1	1	0	2	12	0	\$ 1,038.93	\$ 1,000.00
Seismic Survey Small**	16	0	0	0	6	8	10	2	0	8	24	240	\$ 2,796.28	\$ 800.00
Seismic Survey Medium***	24	0	0	0	8	8	16	1	0	16	120	1440	\$ 7,293.08	\$ 2,000.00
Seismic Survey Large****	24	0	0	0	8	8	16	1	0	24	200	2400	\$ 10,601.80	\$ 2,500.00
Exceptional Well Location, OGCC Hearing	20	40	2	1	25	0	0	0	0	0	0	0	\$ 5,020.50	\$ 1,300.00
Change of Size, Shape of Spacing Unit	20	40	2	1	25	0	0	0	0	0	0	0	\$ 5,020.50	\$ 1,300.00
Establish or Amend A Field Wide Spacing Order	20	40	2	1	25	0	0	0	0	0	0	0	\$ 5,020.50	\$ 1,300.00
Integration Order	20	40	2	1	25	0	0	0	0	0	0	0	\$ 5,020.50	\$ 1,300.00
Unitization Order	20	40	2	1	25	0	0	0	0	0	0	0	\$ 5,020.50	\$ 1,300.00

* If Not Received with Initial Application to Drill

** Up to 12 Miles of 3d and 2d Operation

*** Up to 72 Square Miles of 3d and 12 to 24 miles of 2d

****Over 72 Square Miles of 3d and over 24 miles of 2d

Bonding Permit Application Fees by State

STATE	APPL. FEE	SINGLE BOND	BLANKET BOND	CELIA'S # 's
Alabama	\$300	\$15,000/\$30,000 (by depth)	\$100,000	100000-1
Alaska	\$100	\$100,000	\$500,000	
Arizona	\$25	\$10,000/\$20,000 (by depth)	\$25,000-\$250,000 (by number of wells)	
Arkansas	\$300	\$3,000	\$25,000-\$100,000 (by number of wells)	\$50,000-2
California	\$0	\$15,000-\$30,000 (by depth)	\$100,000-\$1000000 (by number of wells)	
Colorado	\$0	\$5,000	\$30,000<100 wells \$100,000>100 wells	
Connecticut	\$250/\$500	\$25,000	\$25,000/well	
Delaware	N/A	N/A	N/A	
Florida	\$2,000	\$100000 (\$200,000 if producer)	\$1,000,000 / 10 wells	
Georgia	\$25	\$10,000-\$40,000 (by depth)	\$50,000	
Hawaii	N/A	N/A	N/A	
Idaho	\$100	\$10,000	\$25,000	
Illinois	\$100	\$1500<2000' \$3,000>2,000'	\$25,000-\$100,000 (by number of wells)	
Indiana	\$100	\$2,500	\$45,000	
Iowa		\$15,000	\$30,000 all wells	
Kansas	\$0	\$.75/ foot	\$10,000-\$30,000 (by number of wells)	
Kentucky	\$300	\$500-\$5,000 (by depth)	\$10,000-\$100,000 (by number of wells)	
Louisiana	\$126-\$1264	\$3,000-\$30,000 (by depth)	\$25,000-\$250,000 (by number of wells)	\$125,000-4
Maine	N/A	N/A	N/A	
Maryland	\$0	\$100,000	\$500,000	
Massachusetts	N/A	N/A	N/A	
Michigan	\$300	\$10,000-\$30,000 (by depth)	\$100,000-\$250,000 (by number of wells)	
Minnesota	N/A	N/A	N/A	
Mississippi	\$600	\$20,000-\$60,000 (by depth)	\$100,000	\$15,000-5-inj
Missouri	\$0	\$4,000 + \$1/ft>5,000'	\$30,000/ 15 wells	
Montana	\$25- \$150	\$1500-\$10,000 (by depth)	\$50,000	
Nebraska	\$200	\$5,000	\$25,000	
Nevada	\$200	\$5,000-\$10000 + \$1/ft (by depth)	\$50,000	

Bonding Permit Application Fees by State

STATE	APPL. FEE	SINGLE BOND	BLANKET BOND	CELIA'S # 's
New Hampshire	N/A	N/A	N/A	
New Jersey	N/A	N/A	N/A	
New Mexico	\$0	\$5,000-\$10000 + \$1/ft (by depth)	\$50,000	\$50,000-6
New York	\$380/1000'	\$2,500-\$250,000 (by depth)	\$2,000,000	
North Carolina	\$50	\$5,000	\$5,000/well	
North Dakota	\$100	\$20,000	\$50,000-\$100,000 (by number of wells)	
Ohio	\$250-\$1,000	\$5,000	\$15,000 for three or more wells	
Oklahoma	\$100	\$25,000	\$25,000-\$100,000	\$25,000-7
Oregon	\$2,000	\$10,000-\$25,000 (by depth)	\$100,000 minimum	
Pennsylvania	\$100	\$2,500	\$25,000	
Rhode Island	N/A	N/A	N/A	
South Carolina	\$50	\$20,000-\$50,000 (by depth)	\$100,000	
South Dakota	\$100	\$5,000	\$20,000	
Tennessee	\$150	\$5,000	\$20,000	
Texas	\$200-300+ \$150	\$2/foot	\$25,000-\$250,000 (by number of wells)	\$250,000-8
Utah	\$0	\$60,000>10,000'	\$120,000	
Vermont	N/A	N/A	N/A	
Virginia	\$260	\$25,000	\$25,000-\$100,000 (by number of wells)	
Washington	\$250-\$1000	\$50,000	\$250,000	
West Virginia	\$900	\$5,000	\$50,000	
Wisconsin	N/A	N/A	N/A	
Wyoming	\$50	\$10,000-\$20,000 (by depth)	\$75,000	
BLM	\$6,500-FEE	\$9,500- PROPOSED FEE		
IDWR	\$2,000-FEE			